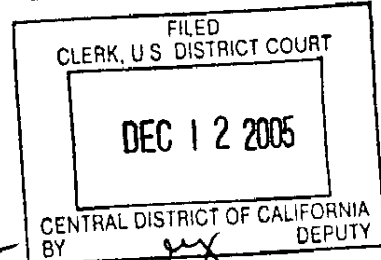


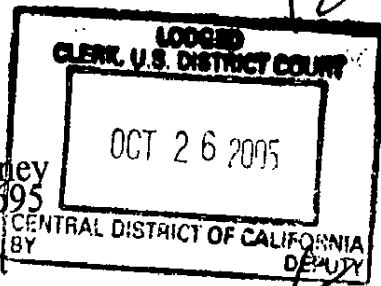
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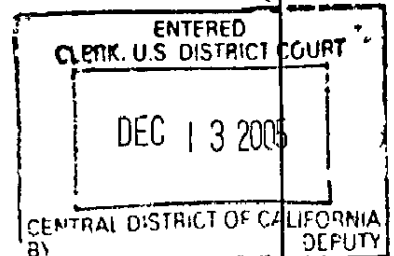
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Pages 1-30

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION



UNITED STATES OF AMERICA
and CALIFORNIA DEPARTMENT
OF TOXIC SUBSTANCES
CONTROL,

Plaintiffs,

v.

LOCKHEED MARTIN
CORPORATION, MOBIL OIL
CORPORATION, and THE
VALSPAR CORPORATION,

Defendants.

Case No. CV05-7519

CAS (R2x)
GPS (AJWx)

CONSENT DECREE

8

THIS CONSTITUTES NOTICE OF ENTRY
AS REQUIRED BY FRCP, RULE 77(g).

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SCANNED

I. BACKGROUND

A. The United States of America ("United States"), on behalf of the Administrator of the United States Environmental Protection Agency ("EPA"), and the California Department of Toxic Substances Control ("DTSC") filed a joint complaint in this matter pursuant to Sections 106 and 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §§ 9606, 9607, and Section 7003 of the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6973, against Lockheed Martin Corporation, Mobil Oil Corporation, and The Valspar Corporation (jointly, "Settling Defendants").

B. The United States and DTSC in their complaint seek, inter alia: (1) reimbursement of costs incurred by EPA, the United States Department of Justice, and DTSC for response actions at the Baldwin Park Operable Unit (Area 2) of the San Gabriel Valley Superfund Sites, Areas 1-4, in Los Angeles County, California (the "BPOU Area"), together with accrued interest; (2) performance of studies and response work by the defendants at the BPOU Area consistent with the National Contingency Plan, 40 C.F.R. Part 300 (as amended) ("NCP"); and (3) penalties of not more than \$27,500 for each day in which Settling Defendants, without sufficient cause, willfully violated, or failed or refused to comply with, EPA's June 30, 2000 Unilateral Administrative Order No. 2000-13 issued under Section 106 of CERCLA, 42 U.S.C. § 9606, and Section 7003 of RCRA, 42 U.S.C. § 6973 ("EPA's Order"), relating to the BPOU Area.

C. Each Settling Defendant that has entered into this Consent Decree does not admit, and specifically denies: (i) any liability to the Plaintiffs arising out of the transactions or occurrences alleged in the complaint; (ii) that the release or threatened release of hazardous substance(s) at or from the BPOU Area constitutes an imminent or substantial endangerment to the public health or welfare or the environment; and (iii) any liability for having willfully violated, or failed or

1 refused to comply with, EPA's Order relating to the BPOU Area.

2 D. The work required to implement the Record of Decision ("ROD") for
3 the BPOU Area, as supplemented by the Explanation of Significant Differences
4 ("ESD"), is being performed by other parties pursuant to EPA's Order (as
5 amended).

6 E. The United States, DTSC, and the Settling Defendants agree, and the
7 Court by entering this Consent Decree finds, that this Consent Decree has been
8 negotiated by the Parties in good faith, that settlement of this matter will avoid
9 prolonged and complicated litigation between the Parties, and that this Consent
10 Decree is fair, reasonable, and in the public interest.

11 NOW, THEREFORE, with the consent of the Parties to this Decree, it
12 is hereby ORDERED, ADJUDGED, AND DECREED:

13 II. JURISDICTION

14 1. This Court has jurisdiction over the subject matter of this action
15 pursuant to 28 U.S.C. §§ 1331 and 1345, and 42 U.S.C. §§ 6973(a), 9606, 9607,
16 and 9613(b). This Court also has personal jurisdiction over the Settling
17 Defendants. Venue is proper in this District pursuant to 42 U.S.C. § 9613(b) and
18 28 U.S.C. § 1391(b) and (c). The Settling Defendants consent to and shall not
19 challenge the terms of this Consent Decree or this Court's jurisdiction to enter and
20 enforce this Consent Decree.

21 III. PARTIES BOUND

22 2. This Consent Decree applies to and is binding upon the following
23 parties: the United States; DTSC; and each Settling Defendant and its respective
24 successors and assigns. Any change in ownership or corporate status of a Settling
25 Defendant including, but not limited to, any transfer of assets or real or personal
26 property, shall in no way alter such Settling Defendant's responsibilities under this
27 Consent Decree. Each Settling Defendant's obligations under this Consent Decree
28 are independent of the other Settling Defendants' obligations, and each Settling

1 Defendant is entitled to the benefits of this Consent Decree in accordance with its
2 performance of its own obligations hereunder.

3 IV. DEFINITIONS

4 3. Unless otherwise expressly provided herein, terms used in this
5 Consent Decree which are defined in CERCLA, RCRA, or in regulations
6 promulgated under CERCLA or RCRA shall have the meaning assigned to them in
7 CERCLA or RCRA or in such regulations. Whenever terms listed below are used
8 in this Consent Decree or in the appendices attached hereto and incorporated
9 hereunder, the following definitions shall apply:

10 "BPOU Area" shall mean the Baldwin Park Operable Unit (Area 2) of the
11 San Gabriel Valley Superfund Sites, Areas 1-4, in and near the cities of Azusa,
12 Irwindale, and Baldwin Park, in Los Angeles County, California, and depicted
13 generally on the map attached as Appendix A.

14 "CERCLA" shall mean the Comprehensive Environmental Response,
15 Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.

16 "Certification of Completion" shall mean EPA's written determination that
17 the Remedial Action has been performed and that the performance standards have
18 been achieved.

19 "Consent Decree" or "Decree" shall mean this Decree and all appendices
20 attached hereto (listed in Section XVIII). In the event of conflict between this
21 Decree and any appendix, this Decree shall control.

22 "Day" shall mean a calendar day unless expressly stated to be a working
23 day. "Working day" shall mean a day other than a Saturday, Sunday, or federal
24 holiday. In computing any period of time under this Consent Decree, where the
25 last day would fall on a Saturday, Sunday, or federal holiday, the period shall run
26 until the close of business of the next working day.

27 "DOJ" shall mean the United States Department of Justice and any
28 successor departments, agencies, or instrumentalities of the United States.

1 "DTSC" shall mean the California Department of Toxic Substances Control
2 and any predecessor or successor departments or agencies of DTSC.

3 "DTSC Response Costs" shall mean: (i) all costs, including, but not limited
4 to, direct and indirect costs that DTSC has incurred at or in connection with the
5 BPOU Area prior to the entry of this Consent Decree, and (ii) all future costs
6 (including, but not limited to, direct and indirect costs) related to the
7 implementation or oversight of the Work, that DTSC will incur at or in connection
8 with the BPOU Area.

9 "EPA" shall mean the United States Environmental Protection Agency and
10 any successor departments, agencies, or instrumentalities of the United States.

11 "EPA Hazardous Substance Superfund" shall mean the Hazardous
12 Substance Superfund established by the Internal Revenue Code, 26 U.S.C. § 9507.

13 "Explanation of Significant Differences" or "ESD" shall mean the
14 Explanation of Significant Differences relating to the BPOU Area issued by EPA
15 in May 1999. The ESD is attached as Appendix C.

16 "Interest" shall mean interest at the rate specified for interest on investments
17 of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507,
18 compounded annually on October 1 of each year, in accordance with 42 U.S.C.
19 § 9607(a). The applicable rate of interest shall be the rate in effect at the time the
20 interest accrues. The rate of interest is subject to change on October 1 of each
21 year.

22 "Paragraph" shall mean a portion of this Consent Decree identified by an
23 Arabic numeral or an upper case letter.

24 "Parties" shall mean the United States, DTSC, and the Settling Defendants.

25 "Plaintiffs" shall mean the United States and DTSC.

26 "RCRA" shall mean the Solid Waste Disposal Act, as amended, 42 U.S.C.
27 § 6901 et seq. (also known as the Resource Conservation and Recovery Act).

28 "Record of Decision" or "ROD" shall mean the EPA Record of Decision

1 and all attachments thereto relating to the interim remedy for the BPOU Area,
2 which was signed by the delegate of the Regional Administrator, EPA Region 9,
3 on March 31, 1994. The ROD is attached as Appendix B.

4 "Remedial Action" shall mean those activities, except for Operation and
5 Maintenance, undertaken to implement the ROD, as supplemented by the ESD.

6 "Response Costs" shall mean: (i) all past costs, including, but not limited to,
7 direct and indirect costs, that the United States has incurred at or in connection
8 with the BPOU Area prior to the entry of this Consent Decree, and (ii) all future
9 costs (including, but not limited to, direct and indirect costs) related to the
10 implementation or oversight of the Work, that the United States will incur at or in
11 connection with the BPOU Area.

12 "Section" shall mean a portion of this Consent Decree identified by a
13 Roman numeral.

14 "Settling Defendants" shall mean Lockheed Martin Corporation, Mobil Oil
15 Corporation, and The Valspar Corporation.

16 "Site" shall mean the San Gabriel Valley Superfund Sites, Areas 1-4, in Los
17 Angeles County, California.

18 "United States" shall mean the United States of America, including its
19 departments, agencies, and instrumentalities.

20 "Work" shall mean all activities required to be performed to implement the
21 ROD, as supplemented by the ESD, or to oversee the implementation of the ROD,
22 as supplemented by the ESD, at or in connection with the BPOU Area.

23 V. STATEMENT OF PURPOSE

24 4. By entering into this Consent Decree, the mutual objectives of the
25 Parties, as more precisely described in the terms of this Consent Decree, are:

26 a. To reach a settlement among the Parties with respect to the BPOU Area
27 that allows the Settling Defendants to make a cash payment to resolve: (1) any
28 claims for civil or administrative liability under Sections 106 and 107 of

CERCLA, 42 U.S.C. §§ 9607, 9607, and RCRA Section 7003, 42 U.S.C. § 6973, for interim response actions and for response costs related to interim response actions incurred and to be incurred at or in connection with the BPOU Area, and (2) any claims for penalties under Section 106(b) of CERCLA, 42 U.S.C. § 9606(b), for having willfully violated, or failed or refused to comply with, EPA's Order relating to the BPOU Area, as provided in Section VIII (Covenants Not to Sue by Plaintiffs) and Section IX (Reservation of Rights) of this Decree;

b. To resolve any claims of Settling Defendants that could have been asserted against the United States and DTSC with regard to the BPOU Area as provided in Section X (Covenants Not to Sue by Settling Defendants) of this Decree;

c. To simplify the remaining administrative and judicial enforcement activities concerning the BPOU Area by resolving the United States' and DTSC's claims against the Settling Defendants for interim response actions and for response costs related to interim response actions incurred and to be incurred at or in connection with the BPOU Area, as provided in Section VIII (Covenants Not to Sue by Plaintiffs) and Section IX (Reservation of Rights) of this Decree; and

d. To provide for contribution protection for the Settling Defendants, and each of them, with respect to matters addressed in this Consent Decree pursuant to Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2).

VI. PAYMENTS BY SETTLING DEFENDANTS

5. Within 30 days of the effective date of this Consent Decree, Settling Defendants shall pay to EPA \$4,830,000 in the manner described in this Section.

6. Payment shall be made by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice account in accordance with current EFT procedures, referencing USAO File Number 2004V00064, the EPA Region and Site Spill Number 0927, and DOJ Case Number 90-11-2-354/12. Payment shall be made in accordance with instructions provided to Settling Defendants by the

1 Financial Litigation Unit of the U.S. Attorney's Office in the Central District of
2 California following lodging of the Consent Decree.

3 7. At the time of payment, Settling Defendants shall send a letter
4 confirming the date and reference number of their FedWire EFT to the United
5 States, EPA, and the Regional Financial Management Officer as provided in
6 Section XV (Notices and Submissions) of this Decree.

7 8. Of the total amount to be paid pursuant to Paragraph 5 of this Consent
8 Decree, \$1,100,000 shall be deposited in the EPA Hazardous Substance Superfund
9 and \$3,730,000 shall be deposited in the Site 0927 San Gabriel Valley/Baldwin
10 Park Special Account within the EPA Hazardous Substance Superfund to be
11 retained and used to conduct or finance response actions at or in connection with
12 the BPOU Area, or to be transferred by EPA to the EPA Hazardous Substance
13 Superfund.

14 9. Within 30 days of the effective date of this Consent Decree, Settling
15 Defendants shall pay to DTSC \$111,977 in the form of a certified check or checks
16 made payable to Cashier, California Department of Toxic Substances Control, and
17 bearing on its face the docket number of this proceeding.

18 10. Settling Defendants shall send their certified check or checks, along
19 with a transmittal letter referencing the Baldwin Park Operable Unit, San Gabriel
20 Valley Superfund Sites, Project Nos. 300133, 300345, 300349, and 300350, to:

21 Department of Toxic Substances Control
22 Accounting/Cashier
23 1001 I Street, 4th Floor
P.O. Box 806
Sacramento, CA 95812-0806

24 11. Settling Defendants' payment to EPA and DTSC includes an amount
25 for: (i) the Work; (ii) Response Costs and DTSC Response Costs incurred or to be
26 incurred at or in connection with the BPOU Area; (iii) a premium to cover the
27 risks and uncertainties associated with this settlement, including, but not limited
28 to, the risk that the total cost of the Work, Response Costs, and DTSC Response

Costs incurred or to be incurred at or in connection with the BPOU Area will exceed the estimated total cost of the Work, Response Costs, and DTSC Response Costs upon which Settling Defendants' payments are based; and (iv) Settling Defendants' lack of participation after August 2000 in work done by other potentially responsible parties under EPA's Order.

VII. FAILURE TO COMPLY WITH CONSENT DECREE REQUIREMENTS

12. Interest on Late Payments. If Settling Defendants fail to make any payment under Paragraphs 5 or 9 within 30 days of the effective date of this Consent Decree, then Settling Defendants shall pay Interest on the unpaid balance, commencing on the date that payment is due and accruing through the date of payment. Settling Defendants shall make all payments required by this Paragraph in the manner described in Paragraphs 6, 7, and 10 unless otherwise directed in writing by EPA or DTSC.

13. Stipulated Penalty.

a. In addition to the Interest required by Paragraph 12 (Interest on Late Payments), if Settling Defendants fail to remit the payments to the United States required by Paragraph 5 when due, then Settling Defendants also shall pay stipulated penalties to the United States of \$2,500 per day for each day that their payment is late.

b. Stipulated penalties are due and payable to the United States within 30 days of the date of the demand for payment of the penalties by the United States. All payments to the United States under this Paragraph shall be identified as "stipulated penalties" and shall be made by certified or cashier's check made payable to "EPA Hazardous Substance Superfund." The check, or a letter accompanying the check, shall reference the name and address of the party making payment, the Site name, EPA Region and Site Spill Number 0927, USAO File Number 2004V00064, and DOJ Case Number 90-11-2-354/12, and shall be sent to: EPA - Cincinnati Accounting Operations, Attn: Region 9 Receivables,

P.O. Box 371099M, Pittsburgh, PA 15251.

c. In addition to the Interest required by Paragraph 12 (Interest on Late Payments), if Settling Defendants fail to remit the payment to DTSC required by Paragraph 9 when due, then Settling Defendants also shall pay stipulated penalties to DTSC of \$500 per day for each day that the payment is late.

d. Stipulated penalties are due and payable to DTSC within 30 days of the date of the demand for payment of the penalties by DTSC. All payments to DTSC under this Paragraph shall be identified as "stipulated penalties" and shall be made by certified or cashier's check made payable to "Cashier, California Department of Toxic Substances Control." The check, or a letter accompanying the check, shall reference the name and address of the party making payment and the Site name, and shall be sent to:

Department of Toxic Substances Control
Accounting/Cashier
1001 I Street, 4th Floor
P.O. Box 806
Sacramento, CA 95812-0806

e. At the time of payment of any stipulated penalties to the United States, Settling Defendants shall send copies of check(s), and any accompanying transmittal letter(s), to the United States, EPA, and the Regional Financial Management Officer as provided in Section XV (Notices and Submissions) of this Consent Decree. At the time of payment of any stipulated penalties to DTSC, Settling Defendants shall send copies of check(s), and any accompanying transmittal letter(s) to DTSC as provided in Section XV (Notices and Submissions).

f. Penalties shall accrue as provided in this Paragraph regardless of whether EPA or DTSC has notified the Settling Defendants of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after payment is due and shall continue to accrue through the date of payment. Nothing herein shall prevent the simultaneous

1 accrual of separate penalties for separate violations of this Consent Decree.

2 14. If the United States or DTSC brings an action to enforce this Consent
3 Decree, Settling Defendants shall reimburse the Plaintiff(s) bringing the action for
4 all costs of such action, including, but not limited to, costs of attorney time.

5 15. Payments made under this Section shall be in addition to any other
6 remedies or sanctions available to Plaintiffs by virtue of Settling Defendants'
7 failure to comply with the requirements of this Consent Decree.

8 16. The obligations of Settling Defendants to pay amounts owed the
9 United States and DTSC under this Consent Decree are joint and several. In the
10 event of the failure of any one or more Settling Defendants to make the payments
11 required under this Consent Decree, the remaining Settling Defendants shall be
12 responsible for such payments.

13 17. Notwithstanding any other provision of this Section, the United States
14 may, in its unreviewable discretion, waive payment of any portion of the stipulated
15 penalties that have accrued to the United States pursuant to this Consent Decree.
16 Notwithstanding any other provision of this Section, DTSC may, in its
17 unreviewable discretion, waive payment of any portion of the stipulated penalties
18 that have accrued to DTSC pursuant to this Consent Decree. Payment of
19 stipulated penalties shall not excuse Settling Defendants from their payment
20 obligation as required by Section VI or from performance of any other
21 requirements of this Consent Decree.

22 VIII. COVENANTS NOT TO SUE BY PLAINTIFFS

23 18. In consideration of the payment that will be made by Settling
24 Defendants under the terms of this Consent Decree, and except as otherwise
25 specifically provided in Section IX (Reservation of Rights), the United States
26 covenants not to sue or to take administrative action against any Settling
27 Defendant pursuant to Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606,
28 9607, and Section 7003 of RCRA, 42 U.S.C. § 6973, for: (1) performance of the

1 Work, (2) recovery of Response Costs, and (3) penalties under Section 106(b) of
2 CERCLA, 42 U.S.C. § 9606(b), for having willfully violated, or failed or refused
3 to comply with, EPA's Order relating to the BPOU Area. In consideration of the
4 payment that will be made by Settling Defendants under the terms of this Consent
5 Decree, and except as otherwise specifically provided in Section IX (Reservation
6 of Rights), DTSC covenants not to sue or to take administrative action against any
7 Settling Defendant pursuant to Section 106 and 107 of CERCLA, 42 U.S.C.
8 §§ 9606, 9607, and Section 7003 of RCRA, 42 U.S.C. § 6973, for performance of
9 the Work and for recovery of DTSC Response Costs. These covenants not to sue
10 shall take effect upon the receipt by EPA and DTSC of all payments required by
11 Section VI (Payments by Settling Defendants) and any amount due under Section
12 VII (Failure to Comply with Consent Decree Requirements). These covenants not
13 to sue accorded to each respective Settling Defendant are conditioned upon
14 satisfactory performance by that Settling Defendant of its obligations under this
15 Consent Decree. These covenants not to sue extend only to the Settling
16 Defendants and do not extend to any other person.

17 IX. RESERVATION OF RIGHTS

18 19. Pre-certification Reservations. The United States reserves, and this
19 Consent Decree is without prejudice to, the right to institute proceedings in this
20 action or in a new action, or to issue an administrative order seeking to compel
21 Settling Defendants: (1) to perform response actions relating to the BPOU Area or
22 (2) to reimburse the United States for additional costs of response if, prior to
23 Certification of Completion of the Remedial Action:

24 (i) conditions at the BPOU Area, previously unknown to EPA, are
25 discovered, or

26 (ii) information, previously unknown to EPA, is received, in whole or in
27 part, and EPA determines that these previously unknown conditions or
28 information together with any other relevant information indicates that the

1 Remedial Action is not protective of human health or the environment. If EPA
2 makes such a determination, DTSC reserves, and this Consent Decree is without
3 prejudice to, the right to institute proceedings in this action or in a new action, or
4 to issue an administrative order seeking to compel Settling Defendants to
5 reimburse DTSC for additional costs of response.

6 20. Post-certification Reservations. The United States reserves, and this
7 Consent Decree is without prejudice to, the right to institute proceedings in this
8 action or in a new action, or to issue an administrative order seeking to compel
9 Settling Defendants: (1) to perform response actions relating to the BPOU Area or
10 (2) to reimburse the United States for additional costs of response if, subsequent to
11 Certification of Completion of the Remedial Action:

12 (i) conditions at the BPOU Area, previously unknown to EPA, are
13 discovered, or

14 (ii) information, previously unknown to EPA, is received, in whole or in
15 part, and EPA determines that these previously unknown conditions or this
16 information together with other relevant information indicate that the Remedial
17 Action is not protective of human health or the environment. If EPA makes such a
18 determination, DTSC reserves, and this Consent Decree is without prejudice to,
19 the right to institute proceedings in this action or in a new action, or to issue an
20 administrative order seeking to compel Settling Defendants to reimburse DTSC
21 for additional costs of response.

22 21. For purposes of Paragraph 19, the information and the conditions
23 known to EPA shall include only that information and those conditions known to
24 EPA as of May 31, 1999, the date of the ESD supplementing the ROD, and set
25 forth in the ROD, the ESD, and the administrative record supporting the ROD and
26 the ESD. For purposes of Paragraph 20, the information and the conditions known
27 to EPA shall include only that information and those conditions known to EPA as
28 of the date of Certification of Completion of the Remedial Action, and set forth in

1 the ROD, the ESD, the administrative record supporting the ROD and the ESD,
2 and the post-ROD administrative record.

3 22. General Reservation of Rights. The covenants not to sue set forth in
4 Paragraph 18 do not pertain to any matters other than those expressly specified
5 therein. The United States and DTSC reserve, and this Consent Decree is without
6 prejudice to, all rights of the United States and DTSC against any Settling
7 Defendant with respect to all other matters including, but not limited to, the
8 following:

9 (1) claims based on a failure by a Settling Defendant to meet a requirement
10 of this Consent Decree;

11 (2) liability arising from the past, present, or future disposal, release, or
12 threat of release of hazardous substances, pollutants, contaminants, or solid wastes
13 outside of the BPOU Area;

14 (3) liability based upon a Settling Defendant's transportation, treatment,
15 storage, or disposal, or the arrangement for the transportation, treatment, storage,
16 or disposal of hazardous substances, pollutants, contaminants, or solid wastes at or
17 in connection with the BPOU Area after signature of this Consent Decree by the
18 Settling Defendants;

19 (4) liability for damages for injury to, destruction of, or loss of natural
20 resources, and for the costs of any natural resource damage assessments;

21 (5) criminal liability;

22 (6) liability for response costs and response actions at additional operable
23 units at the Site, or a final response action, including, but not limited to, the final
24 ROD for the BPOU Area;

25 (7) liability for injunctive relief or administrative order enforcement under
26 Section 106 of CERCLA, 42 U.S.C. § 9606, for response actions that are not
27 within the BPOU Area; and

28 (8) liability for costs incurred or to be incurred that are not within the

1 definition of Response Costs or DTSC Response Costs.

2 23. Notwithstanding any other provision of this Consent Decree, the
3 United States and DTSC retain all authority and reserve all rights to take any and
4 all response actions authorized by law.

5 X. COVENANTS NOT TO SUE BY SETTLING DEFENDANTS

6 24. Subject to the reservation in Paragraph 24(f), each Settling Defendant
7 hereby covenants not to sue and agree not to assert any claims or causes of action
8 against the United States or DTSC, or their contractors or employees, with respect
9 to the BPOU Area or this Consent Decree, including, but not limited to:

10 a. any direct or indirect claim for reimbursement from the Hazardous
11 Substance Superfund (established pursuant to the Internal Revenue Code, 26
12 U.S.C. § 9507) based on CERCLA Sections 106(b)(2), 107, 111, 112, or 113, 42
13 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

14 b. any claims arising out of response actions at or in connection with the
15 BPOU Area, including any claims under the United States Constitution, the
16 California Constitution, the Tucker Act, 42 U.S.C. § 1491, the Equal Access to
17 Justice Act, 28 U.S.C. § 2412, as amended, or at common law.

18 c. any claims against the United States, including any department, agency,
19 or instrumentality of the United States, under CERCLA Sections 107 or 113
20 related to the BPOU Area;

21 d. any claims against the State of California, including any department,
22 agency, or instrumentality of the State of California, under CERCLA Sections 107
23 or 113 related to the BPOU Area; or

24 e. any claims against the United States or DTSC arising out of response
25 activities at the BPOU Area, including claims based on EPA's and DTSC's
26 selection of response actions, oversight of response activities or approval of plans
27 for such activities.

28 f. Each Settling Defendant reserves, and this Consent Decree is without

1 prejudice to, claims against the United States under federal law for costs incurred
2 at the BPOU Area based upon any contract with the United States regarding
3 activities at each Settling Defendant's facility within the BPOU Area.

4 25. Except as provided in Paragraph 27 (Waiver of Claims) and
5 Paragraph 32 (Waiver of Claim-Splitting Defenses), these covenants not to sue
6 shall not apply with respect to a particular Settling Defendant in the event the
7 United States or DTSC brings a cause of action or issues an order against that
8 Settling Defendant pursuant to the reservations set forth in Paragraph 22, but only
9 to the extent that the Settling Defendant's claims arise from the same response
10 action or response costs that the United States or DTSC is seeking against the
11 Settling Defendant pursuant to the applicable reservation.

12 26. Nothing in this Consent Decree shall be deemed to constitute
13 approval or preauthorization of a claim within the meaning of Section 111 of
14 CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

15 27. Each Settling Defendant hereby agrees not to assert any CERCLA
16 claims or causes of action that it may have for all matters relating to the BPOU
17 Area, including for contribution, against any person other than that Settling
18 Defendant's respective insurance carriers and potentially responsible parties who
19 have received in the past or receive in the future special notice from EPA in
20 connection with the BPOU Area and who are not signatories to this Consent
21 Decree or another Consent Decree in connection with the BPOU Area, for
22 damages or costs of any kind relating to response actions and costs incurred at the
23 BPOU Area, including without limitation, claims under Sections 107 and 113 of
24 CERCLA, 42 U.S.C. §§ 9607 and 9613, common law claims of negligence,
25 contribution, equitable indemnity and restitution, and claims under any other
26 federal, state or local statutory or common law. This waiver shall not apply with
27 respect to any defense, claim, or cause of action that a Settling Defendant may
28 have against any person if such person asserts a claim or cause of action relating to

1 the BPOU Area against such Settling Defendant.

2 XI. EFFECT OF SETTLEMENT; CONTRIBUTION PROTECTION

3 28. Except as expressly provided in Paragraph 27, nothing in this
4 Consent Decree shall be construed to create any rights in, or grant any cause of
5 action to, any person not a Party to this Consent Decree. The preceding sentence
6 shall not be construed to waive or nullify any rights that any person not a signatory
7 to this Decree may have under applicable law. Except as provided in Paragraph
8 27, each of the Parties expressly reserves any and all rights (including, but not
9 limited to, any right to contribution), defenses, claims, demands, and causes of
10 action which each Party may have with respect to any matter, transaction, or
11 occurrence relating in any way to the Site against any person not a Party hereto.

12 29. The Parties agree, and by entering this Consent Decree this Court
13 finds, that the Settling Defendants, and each of them, are entitled, as of the
14 effective date of this Consent Decree, to protection from contribution actions or
15 claims as provided by CERCLA Section 113(f)(2), 42 U.S.C. § 9613(f)(2), for
16 "matters addressed" in this Consent Decree. For purposes of this Paragraph,
17 "matters addressed" shall mean (a) the Work, (b) all response costs incurred prior
18 to the entry of this Consent Decree by the United States, DTSC, or any other
19 person at or in connection with the BPOU Area, and (c) all response costs related
20 to the implementation or oversight of the Work to be incurred after the entry of
21 this Consent Decree by the United States, DTSC, or any other person at or in
22 connection with the BPOU Area. The "matters addressed" in this Consent Decree
23 do not include those response costs or response actions as to which the United
24 States or DTSC has reserved its rights under this Consent Decree (except for
25 claims for failure to comply with this Decree), in the event that the United States
26 or DTSC asserts rights against Settling Defendants coming within the scope of
27 such reservations.

28 30. Each Settling Defendant agrees that with respect to any suit or claim

1 for contribution brought by it for matters related to this Consent Decree, it will
2 notify the United States and DTSC in writing no later than 60 days prior to the
3 initiation of such suit or claim.

4 31. Each Settling Defendant also agrees that with respect to any suit or
5 claim for contribution brought against it for matters related to this Consent Decree,
6 it will notify in writing the United States and DTSC within 10 days of service of
7 the complaint on it. In addition, with respect to any such suit or claim, each
8 Settling Defendant shall notify the United States and DTSC within 10 days of
9 service on it or receipt by it of any Motion for Summary Judgment and within 10
10 days of receipt by it of any order from a court setting a case for trial.

11 32. In any subsequent administrative or judicial proceeding initiated by
12 the United States or DTSC for injunctive relief, recovery of response costs, or
13 other relief relating to the Site, Settling Defendants shall not assert, and may not
14 maintain, any defense or claim based upon the principles of waiver, res judicata,
15 collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon
16 any contention that the claims raised by the United States or DTSC in the
17 subsequent proceeding were or should have been brought in the instant case;
18 provided, however, that nothing in this Paragraph affects the enforceability of the
19 covenants not to sue set forth in Section VIII (Covenants Not to Sue by Plaintiffs).

20 XII. ACCESS

21 33. If any of the Settling Defendants own or control any property where
22 access is needed to implement response activities at the Site, then, commencing on
23 the date of lodging of the Consent Decree, such Settling Defendants shall provide
24 the United States, the State, and their representatives, including EPA and its
25 contractors, with access at all reasonable times to such property, for the purpose of
26 conducting any response activity related to the Site, including, but not limited to,
27 the following activities:

28 a. Monitoring, investigation, removal, remedial or other activities at the

1 Site;

2 b. Verifying any data or information submitted to the United States or the
3 State;

4 c. Conducting investigations relating to contamination at or near the Site;

5 d. Obtaining samples;

6 e. Assessing the need for, planning, or implementing additional response
7 actions at or near the Site;

8 f. Inspecting and copying records, operating logs, contracts, or other
9 documents maintained or generated by Settling Defendants or their agents,
10 consistent with Section XIII (Access to Information); and

11 g. Assessing Settling Defendants' compliance with this Consent Decree.

12 34. Notwithstanding any provision of this Consent Decree, the United
13 States and the State of California retain all of their access authorities and rights,
14 including enforcement authorities related thereto, under CERCLA, RCRA, and
15 any other applicable statute or regulations.

16 XIII. ACCESS TO INFORMATION

17 35. Settling Defendants shall provide to EPA and DTSC, upon request,
18 copies of all documents and information within their possession or control or that
19 of their contractors or agents relating to activities at the Site or to the
20 implementation of this Consent Decree, including, but not limited to, sampling,
21 analysis, chain of custody records, manifests, trucking logs, receipts, reports,
22 sample traffic routing, correspondence, or other documents or information related
23 to the Site.

24 36. Confidential Business Information and Privileged Documents.

25 a. Settling Defendants may assert business confidentiality claims covering
26 part or all of the documents or information submitted to Plaintiffs under this
27 Consent Decree to the extent permitted by and in accordance with Section
28 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. § 2.203(b).

1 Documents or information determined to be confidential by EPA will be accorded
2 the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of
3 confidentiality accompanies documents or information when they are submitted to
4 EPA and DTSC, or if EPA has notified Settling Defendants that the documents or
5 information are not confidential under the standards of Section 104(e)(7) of
6 CERCLA, or 40 C.F.R. Part 2, Subpart B, the public may be given access to such
7 documents or information without further notice to Settling Defendants.

8 b. The Settling Defendants may assert that certain documents, records and
9 other information are privileged under the attorney-client privilege or any other
10 privilege recognized by federal law. If the Settling Defendants assert such a
11 privilege in lieu of providing documents, they shall provide the Plaintiffs with the
12 following: (1) the title of the document, record, or information; (2) the date of the
13 document, record, or information; (3) the name, title, affiliation (e.g., company or
14 firm), and address of the author of the document, record, or information; (4) the
15 name and title of each addressee and recipient; (5) a description of the subject of
16 the document, record, or information; and (6) the privilege asserted by Settling
17 Defendants. However, no document, report or other information created or
18 generated pursuant to the requirements of the Consent Decree shall be withheld on
19 the grounds that it is privileged.

20 37. No claim of confidentiality shall be made with respect to any data,
21 including, but not limited to, all sampling, analytical, monitoring, hydrogeologic,
22 scientific, chemical, or engineering data, or any other documents or information
23 evidencing conditions at or around the Site.

24 XIV. RETENTION OF RECORDS

25 38. Until 10 years after the Settling Defendants' receipt of EPA's
26 notification, transmitted pursuant to Paragraph 41, of the issuance of EPA's
27 Certification of Completion of the Work, each Settling Defendant shall preserve
28 and retain all records and documents now in its possession or control, or which

1 come into its possession or control, that relate in any manner to response actions
2 taken at the Site or liability of any person for response actions conducted and to be
3 conducted at the Site, regardless of any corporate retention policy to the contrary.

4 39. At the conclusion of this document retention period, each Settling
5 Defendant shall notify the United States and DTSC at least 90 days prior to the
6 destruction of any such records or documents, and, upon request by the United
7 States or DTSC, that Settling Defendant shall deliver any such records or
8 documents to EPA or DTSC. The Settling Defendants may assert that certain
9 documents, records and other information are privileged under the attorney-client
10 privilege or any other privilege recognized by federal law. If the Settling
11 Defendants assert such a privilege, they shall provide the Plaintiffs with the
12 following: (1) the title of the document, record, or information; (2) the date of the
13 document, record, or information; (3) the name, title, affiliation (e.g., company or
14 firm), and address of the author of the document, record, or information; (4) the
15 name and title of each addressee and recipient; (5) a description of the subject of
16 the document, record, or information; and (6) the privilege asserted by Settling
17 Defendants. However, no document, report or other information created or
18 generated pursuant to the requirements of the Consent Decree shall be withheld on
19 the grounds that it is privileged.

20 40. Each Settling Defendant hereby certifies individually that, to the best
21 of its knowledge and belief, after thorough inquiry, it has not altered, mutilated,
22 discarded, destroyed or otherwise disposed of any records, documents or other
23 information relating to its potential liability regarding the Site since notification of
24 potential liability by the United States or DTSC or the filing of suit against it
25 regarding the BPOU Area, and that it has fully complied with any and all EPA
26 requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42
27 U.S.C. §§ 9604(e), 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

SECRET

As to the United States:

and

As to EPA:

and

Wayne Praskins, SFD-7-3
EPA Project Coordinator
United States Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

As to the Regional Financial Management Officer:

Joe Schmidt, PMD-5
United States Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

As to DTSC:

Jacalyn Spizman
DTSC Project Coordinator
Department of Toxic Substances Control
5796 Corporate Avenue
Cypress, CA 90630

and

Ann Rushton
Office of the Attorney General
300 South Spring Street, Suite 500
Los Angeles, CA 90013

As to Settling Defendant Lockheed Martin Corporation:

Ronald N. Helgersen
Director of Remediation
Lockheed Martin Corporation
6801 Rockledge Drive
Bethesda, MD 20817

As to Settling Defendant Mobil Oil Corporation:

Dan E. Burnham
Superfund Consultant
ExxonMobil Corporation
3225 Gallows Road, Rm 8B0607
Fairfax, VA 22037

As to Settling Defendant The Valspar Corporation:

Ronda P. Bayer, Esq.
Associate General Counsel
The Valspar Corporation
1101 South Third Street
Minneapolis, MN 55415

XVI. EFFECTIVE DATE

42. The effective date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court, except as otherwise provided herein.

XVII. RETENTION OF JURISDICTION

43. This Court retains jurisdiction over this matter for the purpose of interpreting and enforcing the terms of this Consent Decree.

XVIII. INTEGRATION/APPENDICES

44. This Consent Decree and its appendices constitute the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Consent Decree. The Parties acknowledge that there are no representations, agreements, or understandings relating to the settlement other than those expressly contained in this Consent Decree. The following appendices are attached to and incorporated into this Consent Decree:

“Appendix A” is the map of the BPOU Area;

“Appendix B” is a copy of the ROD; and

“Appendix C” is a copy of the ESD.

XIX. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

45. This Consent Decree shall be lodged with the Court for a period of not less than thirty (30) days for public notice and comment. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations which indicate that the Consent Decree is inappropriate, improper, or inadequate. Settling Defendants consent to the entry of this Consent Decree without further notice.

46. If for any reason the Court should decline to approve this Consent Decree in the form presented, this agreement is voidable at the sole discretion of any Party and the terms of the agreement may not be used as evidence in any litigation between the Parties.

XX. SIGNATORIES/SERVICE

47. Each undersigned representative of a Settling Defendant to this Consent Decree, the Assistant Attorney General for the Environment and Natural Resources Division of the United States Department of Justice, or his delegate,

1 and the Deputy Attorney General of the California Department of Justice certifies
2 that he or she is fully authorized to enter into the terms and conditions of this
3 Consent Decree and to execute and legally bind such Party to this document.

4 48. Each Settling Defendant hereby agrees not to oppose entry of this
5 Consent Decree by this Court or to challenge any provision of this Consent Decree
6 unless the United States has notified the Settling Defendants in writing that it no
7 longer supports entry of the Consent Decree.

8 49. Each Settling Defendant shall identify, on the attached signature
9 page, the name, address and telephone number of an agent who is authorized to
10 accept service of process by mail on behalf of that Party with respect to all matters
11 arising under or relating to this Consent Decree. Settling Defendants hereby agree
12 to accept service in that manner and to waive the formal service requirements set
13 forth in Rule 4 of the Federal Rules of Civil Procedure and any applicable local
14 rules of this Court, including, but not limited to, service of a summons.

15 XXI. FINAL JUDGMENT

16 50. Upon approval and entry of this Consent Decree by the Court, this
17 Consent Decree shall constitute a final judgment between and among the United
18 States, DTSC, and the Settling Defendants. The Court finds that there is no just
19 reason for delay and therefore enters this judgment as a final judgment under Fed.
20 R. Civ. P. 54 and 58.

21
22
23
24 Dated: 12/12/05

Christina A. Hyde

United States District Judge

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States and California Department of Toxic Substances Control v. Lockheed Martin Corporation, Mobil Oil Corporation, and The Valspar Corporation, relating to the BPOU Area.

FOR THE UNITED STATES OF AMERICA

Dated: 9/16/05

Kelly A Johnson

Kelly A. Johnson
Acting Assistant Attorney General
Environment and Natural Resources
Division
U.S. Department of Justice
Washington, D.C. 20530

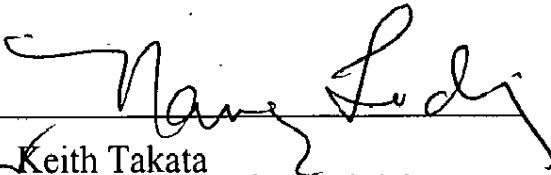
Dated: 10-25-05

Robert D Mullaney

Robert D. Mullaney
Trial Attorney
Environmental Enforcement Section
Environment and Natural Resources
Division
U.S. Department of Justice
301 Howard Street, Suite 1050
San Francisco, California 94105

1
2 Dated:

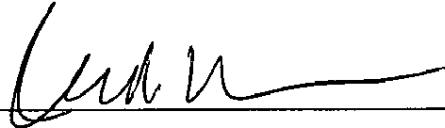
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for Keith Takata
Director, Superfund Division
Region IX
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

Dated:

9/23/05



Janet Magnuson
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region IX
San Francisco, CA 94105

SCANNED

1 FOR THE STATE OF CALIFORNIA DEPARTMENT OF TOXIC
2 SUBSTANCES CONTROL

3 Dated: 8/26/05 

4 Thomas Cota
5 Chief, Site Mitigation and Brownfields
6 Reuse Program
7 Department of Toxic Substances Control
8 5796 Corporate Avenue
9 Cypress, California 90630

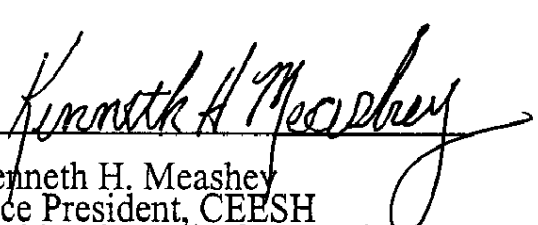
10 Dated: 10-5-05 

11 Ann Rushton
12 Deputy Attorney General
13 California Department of Justice
14 300 South Spring Street, Suite 500
15 Los Angeles, California 90013

1 THE UNDERSIGNED PARTY enters into this Consent Decree in the
2 matter of United States and State of California Department of Toxic Substances
3 Control v. Lockheed Martin Corporation, Mobil Oil Corporation, and The Valspar
4 Corporation, relating to the BPOU Area.

5 FOR LOCKHEED MARTIN CORPORATION

6
7 Dated: 7/19/04


8 Kenneth H. Meashey
9 Vice President, CEESH
10 Lockheed Martin Corporation
11 6801 Rockledge Drive
12 Bethesda, MD 20817

13 Agent Authorized to Accept Service on Behalf of Above-signed Party:

14 Thomas D. Blackman
15 Director of Remediation
16 Lockheed Martin Corporation
17 6801 Rockledge Drive
18 Bethesda, MD 20817
19 (301) 214-9958
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1 THE UNDERSIGNED PARTY enters into this Consent Decree in the
2 matter of United States and State of California Department of Toxic Substances
3 Control v. Lockheed Martin Corporation, Mobil Oil Corporation, and The Valspar
4 Corporation, relating to the BPOU Area.

5
6
7 FOR MOBIL OIL CORPORATION

8
9
10 Dated: 7/21/04 Zane H. Bolen for T. M. Milton

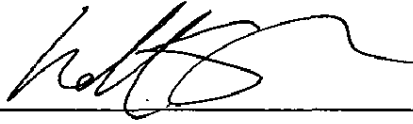
11 T. M. Milton
12 Global Remediation, Manager,
13 Major Projects
14 ExxonMobil Corporation
15 3225 Gallows Road
16 Fairfax, VA 22037
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13 Agent Authorized to Accept Service on Behalf of Above-signed Party:

14 Dan E. Burnham
15 Superfund Consultant
16 ExxonMobil Corporation
17 3225 Gallows Road, Rm 8B0607
18 Fairfax, VA 22037
19 (703) 846-5298
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1 THE UNDERSIGNED PARTY enters into this Consent Decree in the matter of
2 United States and State of California Department of Toxic Substances Control v.
3 Lockheed Martin Corporation, Mobil Oil Corporation, and The Valspar
4 Corporation, relating to the BPOU Area.

5
6
7 FOR THE VALSPAR CORPORATION

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10
11
12
13 Dated: July 16, 2004 

14 Rolf Engh, Esq.
15 Senior Vice President, General
16 Counsel, Secretary
17 The Valspar Corporation
18 1101 South Third Street
19 Minneapolis, MN 55415
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Agent Authorized to Accept Service on Behalf of Above-signed Party:

Ronda P. Bayer, Esq.
Associate General Counsel
The Valspar Corporation
1101 South Third Street
Minneapolis, MN 55415
(612) 375-7306



UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
OFFICE OF THE CLERK

**THE EXHIBIT(S) AND/OR
ATTACHMENT(S) TO THIS DOCUMENT
ARE AVAILABLE IN “THE RECORDS
SECTION” OF THE CLERK’S OFFICE.**